

# BEFORE THE BOARD OF MILK CONTROL OF THE STATE OF MONTANA

## ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

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|                                     |                    |
|-------------------------------------|--------------------|
| CLASS I PRICE FOR MILK TESTING 3.5% | \$26.19 /CWT       |
| CLASS I BUTTERFAT PRICE PER POUND   | \$2.06 /LB         |
| CLASS I SKIM PRICE AT 96.5 LBS      | \$18.980 /96.5 lbs |

The minimum price to pay milk producers, under ARM 32.24.301, is \$26.19 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of 20.6 cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment.

The value of one pound of butterfat utilized will be \$2.06.

|                                      |                    |
|--------------------------------------|--------------------|
| CLASS II PRICE FOR MILK TESTING 3.5% | \$22.32 /CWT       |
| CLASS II BUTTERFAT PRICE PER POUND   | \$1.87 /LB         |
| CLASS II SKIM PRICE AT 96.5 LBS      | \$15.775 /96.5 lbs |

|   |            |  |               |
|---|------------|--|---------------|
| Average spray process dry milk solids   |            | Last quote of month for Grade AA butter  | \$1.77000     |
| price per pound                         | \$2.11375  | less a differential of \$0.0895          | \$1.68050     |
| multiplied by 8.2                       | \$17.33275 | multiplied by 0.111                      | \$0.18654     |
| Last quote of month for Grade AA butter | \$1.77000  | Hundredweight price of milk testing 3.5% | \$22.32       |
| less a differential of \$0.0895         | \$1.68050  | Less 3.5 pounds of butterfat             | \$6.545       |
| multiplied by 4.2                       | \$7.05810  | Value of 96.5 pounds of skim             | \$15.775      |
| Average Spray Factor + AA Butter Factor | \$24.39085 | Class II Value of One Pound of Skim      | \$0.16347 /LB |
| Less a Make Allowance of 8.5%           | \$2.07     |  |               |
| Class II Price for 3.5%                 | \$22.31763 |  |               |

|   |                    |
|---|--------------------|
| CLASS III PRICE PER CWT FOR MILK TESTING 3.5% | \$19.17 /CWT       |
| CLASS III BUTTERFAT PRICE PER POUND           | \$1.51 /LB         |
| CLASS III SKIM PRICE AT 96.5 LBS              | \$13.883 /96.5 lbs |

|   |           |                               |          |
|---|-----------|-------------------------------|----------|
| Last quote of month for Grade AA butter | \$1.77000 | Class III BF Price/lb x 3.5   | \$5.285  |
| less a differential of \$0.0895         | \$1.68050 | Class III Skim per CWT x 96.5 | \$13.883 |
| less 10%                                | \$1.51    | Class III Per CWT             | \$19.168 |

### CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED

|  |            |
|--|------------|
| Avg. spray process dry milk solid price/lb = | \$2.11375  |
| Multiplied by 8.2                            | \$17.33275 |
| Less 17%                                     | \$14.38618 |
| Per hundredweight                            | \$14.39    |

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

*Patti Thompson*

Patti Thompson, Bureau Chief  
Montana Milk Control Bureau

## PRODUCER CLASS I PRICE IN MONTANA

| Month          | 2013           | 2014           | Difference    | % Change      |
|----------------|----------------|----------------|---------------|---------------|
| January        | \$21.52        | \$24.03        | \$2.51        | 11.66%        |
| February       | \$20.76        | \$24.57        | \$3.81        | 18.35%        |
| March          | \$20.35        | \$26.19        | \$5.84        | 28.70%        |
| April          | \$20.21        |                |               |               |
| May            | \$20.31        |                |               |               |
| June           | \$21.48        |                |               |               |
| July           | \$21.46        |                |               |               |
| August         | \$21.43        |                |               |               |
| September      | \$21.71        |                |               |               |
| October        | \$21.75        |                |               |               |
| November       | \$22.75        |                |               |               |
| December       | \$22.92        |                |               |               |
| <b>Average</b> | <b>\$21.39</b> | <b>\$24.93</b> | <b>\$4.05</b> | <b>19.57%</b> |

## QUOTA BLEND PRICE IN MONTANA

| Month          | 2013           | 2014           | Difference    | % Change      |
|----------------|----------------|----------------|---------------|---------------|
| January        | \$18.95        | \$21.35        | \$2.40        | 12.66%        |
| February       | \$18.55        |                |               |               |
| March          | \$18.21        |                |               |               |
| April          | \$18.22        |                |               |               |
| May            | \$18.30        |                |               |               |
| June           | \$18.85        |                |               |               |
| July           | \$19.35        |                |               |               |
| August         | \$19.21        |                |               |               |
| September      | \$19.64        |                |               |               |
| October        | \$19.91        |                |               |               |
| November       | \$20.50        |                |               |               |
| December       | \$21.14        |                |               |               |
| <b>Average</b> | <b>\$19.24</b> | <b>\$21.35</b> | <b>\$2.40</b> | <b>12.66%</b> |

